Norbord Inc.  
181 Nighswander Road, P.O. Box 2000  
Chapple, Ontario  
P0W 1A0

Site Location: 181 Nighswander Road  
Chapple Township, District of Rainy River  
P0W 1A0

You have applied under section 20.2 of Part II.1 of the Environmental Protection Act, R.S.O. 1990, c. E. 19 (Environmental Protection Act) for approval of:

A oriented stand board panel manufacturing facility, registered on the Technical Standards Registry consisting of the following processes and support units:

- log storage;
- log conditioning;
- debarking;
- stranding;
- drying;
- blending;
- forming;
- pressing;
- finishing and packaging;
- warehousing and shipping;
- two (2) wood fired combustors, rated to burn up to a total of 23 dry tonnes of Wood Fuel per hour, with a name plate capacity of 319 million kilojoules per hour, equipped with an emergency propane/natural gas fired burner to provide hot flue gases to the hot oil heaters when the Combustors are not operated, having a maximum heat input of 53 million kilojoules per hour;

including the Equipment and any other ancillary and support processes and activities, operating at a Facility Production Limit of up to 550,400 cubic metres of oriented strand board panels per year discharging to the air as described in the Original ESDM Report and the application for registration on the Technical Standards Registry, including all notifications to the Ministry after the registration on the Technical Standards Registry was granted to the Facility.
For the purpose of this environmental compliance approval, the following definitions apply:

1. "ACB list" means the document entitled "Air Contaminants Benchmarks (ACB) List: Standards, guidelines and screening levels for assessing point of impingement concentrations of air contaminants", as amended from time to time and published by the Ministry and available on a Government website.

2. "Acceptable Point of Impingement Concentration" means a concentration accepted by the Ministry as not likely to cause an adverse effect for a Compound of Concern that,

   (a) is not identified in the ACB list, or

   (b) is identified in the ACB list as belonging to the category "Benchmark 2" and has a concentration at a Point of Impingement that exceeds the concentration set out for the contaminant in that document.

With respect to the Original ESDM Report, the Acceptable Point of Impingement Concentration for a Compound of Concern mentioned above is the concentration set out in the Original ESDM Report.

3. "Acoustic Assessment Report" means the report, prepared in accordance with Publication NPC-233 and Appendix A of the Basic Comprehensive User Guide, by Mohammed Salim of Amec Foster Wheeler and dated March 2016 submitted in support of the application, that documents all sources of noise emissions and Noise Control Measures present at the Facility, as updated in accordance with Condition 5 of this Approval.

4. "Acoustic Assessment Summary Table" means a table prepared in accordance with the Basic Comprehensive User Guide summarising the results of the Acoustic Assessment Report, as updated in accordance with Condition 5 of this Approval.

5. "Approval" means this entire Environmental Compliance Approval and any Schedules to it.


7. "CEM System" means the continuous emission monitoring system consisting of continuous monitors and recording devices.

8. "Combustors" mean the two (2) wood fired combustors and all associated Equipment as described in the Original ESDM Report and the Description Section of this Approval.

9. "Company" means Norbord Inc. that is responsible for the construction or operation of the Facility and includes any successors and assigns in accordance with section 19 of the EPA.

10. "Compound of Concern" means a contaminant that is not registered by the Company on the Technical Standards Registry, and that is described in paragraph 4 subsection 26 (1) of O. Reg. 419/05, namely, a contaminant that is discharged from the Facility in an amount that is not negligible.

11. "Description Section" means the section on page one of this Approval describing the Company's operations and the Equipment located at the Facility and specifying the Facility Production Limit for the Facility.

12. "Director" means a person appointed for the purpose of section 20.3 of the EPA by the Minister pursuant to section 5 of the EPA.

13. "District Manager" means the District Manager of the appropriate local district office of the Ministry, where the Facility is geographically located.

14. "Emission Summary Table" means a table described in paragraph 14 of subsection 26 (1) of O.
Reg. 419/05.


17. "Equipment" means equipment or processes described in the ESDM Report, the Technical Standard(s) for which the Company is registered on the Technical Standards Registry, this Approval and in the Schedules referred to herein and any other equipment or processes.

18. "Equipment with Specific Operational Limits" means the Combustors, any Equipment related to the thermal oxidation of waste or waste derived fuels, fume incinerators or any other Equipment that is specifically referenced in any published Ministry document that outlines specific operational guidance that must be considered by the Director in issuing an Approval.

19. "ESDM Report" means the most current Emission Summary and Dispersion Modelling Report that describes the Facility. The ESDM Report is based on the Original ESDM Report and is updated after the issuance of this Approval in accordance with section 26 of O. Reg. 419/05 and the Procedure Document.

20. "Facility" means the entire operation located on the property where the Equipment is located.

21. "Facility Production Limit" means the production limit placed by the Director on the main product(s) or raw materials used by the Facility.

22. "Fuel Management Plan" means a document or a set of documents prepared by the Company to provide written instructions to staff of the Company.

23. "Log" means a document that contains a record of each change that is required to be made to the ESDM Report and Acoustic Assessment Report, including the date on which the change occurred. For example, a record would have to be made of a more accurate emission rate for a source of contaminant, more accurate meteorological data, a more accurate value of a parameter that is related to a source of contaminant, a change to a Point of Impingement and all changes to information associated with a Modification to the Facility that satisfies Condition 2.

24. “Manager” means the Manager, Technology Standards Section, Standards Development Branch, or any other person who represents and carries out the duties of the Manager, Technology Standards Section, Standards Development Branch, as those duties relate to the conditions of this Approval.

25. "Minister" means the Minister of the Environment and Climate Change or such other member of the Executive Council as may be assigned the administration of the EPA under the Executive Council Act.

26. "Ministry" means the ministry of the Minister.

27. "Modification" means any construction, alteration, extension or replacement of any plant, structure, equipment, apparatus, mechanism or thing, or alteration of a process or rate of production at the Facility that may (a) discharge or alter the rate or manner of discharge of a Compound of Concern to the air; or (b) discharge or alter the rate or manner of discharge of a contaminant registered by the Company on the Technical Standards Registry; or (c) discharge or alter noise or vibration emissions from the Facility.

28. "Noise Control Measures" means measures to reduce the noise emissions from the Facility and/or Equipment including, but not limited to, silencers, acoustic louvres, enclosures, absorptive treatment, plenums and barriers.

29. "O. Reg. 419/05" means Ontario Regulation 419/05, Air Pollution – Local Air Quality, as amended.
30. "Original ESDM Report" means the Emission Summary and Dispersion Modelling Report which was prepared in accordance with section 26 of O. Reg. 419/05 and the Procedure Document by Mano Narayanan / Amec Foster Wheeler and dated May 2, 2016 submitted in support of the application, and includes any changes to the report made up to the date of issuance of this Approval.

31. "Point of Impingement" has the same meaning as in section 2 of O. Reg. 419/05.

32. "Point of Reception" means Point of Reception as defined by Publication NPC-300.

33. “Pre-Test Plan” means a plan for the Source Testing including the information required in Section 5 of the Source Testing Code.


35. "Processes with Significant Environmental Aspects" means the Equipment which, during regular operation, would discharge (a) a Compound of Concern into the air in an amount which is not considered as negligible in accordance with section 26(1)4 of O.Reg. 419/05 and the Procedure Document or (b) a contaminant registered by the Company on the Technical Standards Registry.


37. "Publication NPC-233" means the Ministry Publication NPC-233, "Information to be Submitted for Approval of Stationary Sources of Sound", October, 1995, as amended.


40. "Schedules" means the following schedules attached to this Approval and forming part of this Approval namely:

Schedule A - Supporting Documentation
Schedule B - Technical Standards for which the Company is registered;
Schedule C - Source Testing Procedure
Schedule D - CEM System Requirements

41. "Shut-down" means an operating condition during which the operation of a source of contaminant is decreased from normal operating conditions to an inoperative state.

42. "Source Testing" means sampling and testing to measure emissions resulting from operating the Facility under conditions which yield the worst case emissions within the approved operating range of the Facility.


44. “Start-up” means an operating condition during which the operation of a source of contaminant is increased from an inoperative state to normal operating conditions.

45. "Technical Standard" has the same meaning as in section 1 of O. Reg. 419/05.

46. "Technical Standards Registry" means the Ministry’s Technical Standards Registry – Air Pollution
for Technical Standard registrations described in section 39 of O. Reg. 419/05 made under the EPA.

47. “Toxicologist” means a qualified professional currently active in the field of risk assessment and toxicology that has a combination of formal university education, training and experience necessary to assess contaminants.

48. “Wood Fuel” means fuel comprised of one or more of the following materials: hogged wood fuel, wood chips, Wood Pellets, wood strands, bark, sawdust (including on site generator trim saw and sander dust), Woodwaste, cellulosic plant material, paper and paper sludge, on site generated board trim, end cuts and off-spec product.

49. “Wood Pellet” means a pellet made from Wood Fuel or Woodwaste.

50. “Woodwaste” has the same meaning as in Ontario Regulation 347 R.R.O. 1990, as amended.

51. "Written Summary Form" means the electronic questionnaire form, available on the Ministry website, and supporting documentation, that documents the activities undertaken at the Facility in the previous calendar year.

You are hereby notified that this environmental compliance approval is issued to you subject to the terms and conditions outlined below:

TERMS AND CONDITIONS

1. GENERAL
1.1 Except as otherwise provided by this Approval, the Facility shall be designed, developed, built, operated and maintained in accordance with the terms and conditions of this Approval and in accordance with the following Schedules attached hereto:

Schedule A - Supporting Documentation
Schedule C - Source Testing Procedure
Schedule D - CEM System Requirements

2. LIMITED OPERATIONAL FLEXIBILITY
2.1 Pursuant to section 20.6 (1) of the EPA and subject to Conditions 2.2 and 2.3 of this Approval, future construction, alterations, extensions or replacements are approved in this Approval if the future construction, alterations, extensions or replacements are Modifications to the Facility that:

(a) are within the scope of the operations of the Facility as described in the Description Section of this Approval;

(b) do not result in an increase of the Facility Production Limit above the level specified in the Description Section of this Approval; and

(c) result in compliance with the performance limits as specified in Condition 4 or result in compliance with requirements of a Technical Standard for which the Facility is registered on the Technical Standards Registry.

2.2 Condition 2.1 does not apply to,

(a) the addition of any new Equipment with Specific Operational Limits or to the Modification of any existing Equipment with Specific Operational Limits at the Facility, unless the addition or Modification is necessary in order to comply with a requirement of a Technical Standard for which the Facility is registered; or
(b) Modifications to the Facility that would be subject to the Environmental Assessment Act.

2.3 Condition 2.1 of this Approval shall expire ten (10) years from the date of this Approval, unless this Approval is revoked prior to the expiry date. The Company may apply for renewal of Condition 2.1 of this Approval by including an ESDM Report and an Acoustic Assessment Report that describes the Facility as of the date of the renewal application.

3. REQUIREMENT TO REQUEST AN ACCEPTABLE POINT OF IMPINGEMENT CONCENTRATION

3.1 Prior to making a Modification to the Facility that satisfies Condition 2.1 (a) and (b), the Company shall prepare a proposed update to the ESDM Report to reflect the proposed Modification.

3.2 The Company shall request approval of an Acceptable Point of Impingement Concentration for a Compound of Concern if the Compound of Concern is not identified in the ACB list as belonging to the category "Benchmark 1" and a proposed update to an ESDM Report indicates that one of the following changes with respect to the concentration of the Compound of Concern may occur:

(a) The Compound of Concern was not a Compound of Concern in the previous version of the ESDM Report and

(i) the concentration of the Compound of Concern exceeds the concentration set out for the contaminant in the ACB list; or
(ii) the Compound of Concern is not identified in the ACB list; or

(b) The concentration of the Compound of Concern in the updated ESDM Report exceeds the higher of,

(i) the most recent Acceptable Point of Impingement Concentration, and
(ii) the concentration set out for the contaminant in the ACB list, if the contaminant is identified in that document.

3.3 The request required by Condition 3.2 shall propose a concentration for the Compound of Concern and shall contain an assessment, performed by a Toxicologist, of the likelihood of the proposed concentration causing an adverse effect at Points of Impingement.

3.4 If the request required by Condition 3.2 is a result of a proposed Modification described in Condition 3.1, the Company shall submit the request, in writing, to the Director at least 30 days prior to commencing to make the Modification. The Director shall provide written confirmation of receipt of this request to the Company.

3.5 If a request is required to be made under Condition 3.2 in respect of a proposed Modification described in Condition 3.1, the Company shall not make the Modification mentioned in Condition 3.1 unless the request is approved in writing by the Director.

3.6 If the Director notifies the Company in writing that the Director does not approve the request, the Company shall,

(a) revise and resubmit the request; or
(b) notify the Director that it will not be making the Modification.

3.7 The re-submission mentioned in Condition 3.6 shall be deemed a new submission under Condition 3.2.
3.8 If the Director approves the request, the Company shall update the ESDM Report to reflect the Modification.

3.9 Condition 3 does not apply if Condition 2.1 has expired.

4. PERFORMANCE LIMITS

4.1. Subject to Condition 4.2, the Company shall not discharge or cause or permit the discharge of a Compound of Concern into the air if,

(a) the Compound of Concern is identified in the ACB list as belonging to the category "Benchmark 1" and the discharge results in the concentration at a Point of Impingement exceeding the Benchmark 1 concentration; or

(b) the Compound of Concern is not identified in the ACB list as belonging to the category "Benchmark 1" and the discharge results in the concentration at a Point of Impingement exceeding the higher of,

(i) if an Acceptable Point of Impingement Concentration exists, the most recent Acceptable Point of Impingement Concentration, and

(ii) the concentration set out for the contaminant in the ACB list, if the contaminant is identified in that document.

4.2 Condition 4.1 does not apply if the benchmark set out in the ACB list has a 10-minute averaging period and no ambient monitor indicates an exceedance at a Point of Impingement where human activities regularly occur at a time when those activities regularly occur.

4.3 The Company shall ensure that the noise emissions from the Facility comply with the limits set out in Ministry Publication NPC-300.

4.4 The Company shall restrict periodic testing of the standby diesel generator-set to the daytime hours from 7 a.m. to 7 p.m.

4.5 The Company shall restrict operation of the rail equipment on the site to the daytime hours from 7 a.m. to 7 p.m.

4.6 The Company shall ensure that the vibration emissions from the Facility comply with the limits set out in Ministry Publication NPC-207.

4.7 The Company shall operate any Equipment with Specific Operational Limits approved by this Approval in accordance with the Original ESDM Report and Conditions 5, 6, 7, 11 and 12 in this Approval, unless such operation is addressed by requirement in a Technical Standard for which the Facility is registered.

5. EQUIPMENT WITH SPECIFIC OPERATIONAL LIMITS

5.1 The Company shall ensure that the Combustors are operated to comply with the following performance requirements:

(a) The concentration of oxygen in the undiluted gas emitted from the combustion chamber of the Combustors shall not be less than 4 per cent by volume on a 3-hour rolling average and dry basis.

(b) The concentration of carbon monoxide in the undiluted gas emitted from the Combustors shall not be greater than 800 parts per million on a dry basis, 10-day rolling averaging until June 30, 2021, and 500 parts per million on a dry basis, 10-day rolling averaging, thereafter.

(c) Only Wood Fuel as defined by this Approval is used as fuel in the Combustors.

5.2 The Company shall take reasonable steps to ensure that the operation of the Combustors meets
the following targets:

(a) The temperature in the combustion chamber of each Combustor is greater than 1000 degrees Celsius; and

(b) The residence time, of the products of combustion and the combustion air, in the combustion chamber is not less than one (1) second.

5.3 Conditions 5.1(a), 5.1(b) and 5.2 do not apply during the Start-up and Shut-down periods of the wood fired combustors if:

(a) the Shut-down does not last for more than 6 hours;

(b) the Start-up does not last for more than 24 hours;

(c) the Start-up or Shut-down is conducted according to a written plan that minimizes discharges into the air during the period of start-up or shut-down.

6. SOURCE TESTING

6.1 The Company shall perform Source Testing every (4) years in accordance with the procedure outlined in Schedule C, to determine the rate of emission of Total Suspended Particulate Matter and Benzo(a)pyrene from the Combustors. The first Source Testing program shall be conducted within one (1) year of the date of the Approval.

7. CONTINUOUS MONITORING

7.1 The Company shall install and maintain a CEM System not later than six (6) months after the commencement of operation of the Facility to continuously monitor and record the operating temperatures of the Combustors, the carbon monoxide and the oxygen concentrations in the undiluted gasses leaving the Combustors. The CEM System shall comply with the requirements outlined in Schedule D.

8. DOCUMENTATION REQUIREMENTS

8.1. The Company shall maintain an up-to-date Log.

8.2. No later than June 30 in each year, the Company shall update the Acoustic Assessment Report and shall update the ESDM Report in accordance with section 26 of O. Reg. 419/05 so that the information in the reports is accurate as of December 31 in the previous year.

8.3. The Company shall make the Emission Summary Table (see section 27 of O. Reg. 419/05, the Acoustic Assessment Summary Table and a list of contaminants registered by the Company on the Technical Standards Registry, available for examination by any person, without charge, by posting it on the Internet or by making it available during regular business hours at the Facility.

8.4 The Company shall, within three (3) months after the expiry of Condition 2.1 of this Approval, update the ESDM Report and the Acoustic Assessment Report such that the information in the reports is accurate as of the date that Condition 2.1 of this Approval expired.

8.5. Conditions 8.1 and 8.2 do not apply if Condition 2.1 has expired.

9. REPORTING REQUIREMENTS

9.1 Subject to Condition 9.2, the Company shall provide the Director no later than August 31 of each year, a Written Summary Form to be submitted through the Ministry’s website that shall include the following:

(a) a declaration of whether the Facility was in compliance with section 9 of the EPA, O. Reg. 419/05 and the conditions of this Approval;
(b) a summary of each Modification satisfying Condition 2.1 (a) and (b) that took place in the previous calendar year that resulted in a change in the previously calculated concentration at a Point of Impingement for any Compound of Concern or resulted in a change in the sound levels reported in the Acoustic Assessment Summary Table at any Point of Reception.

9.2 Condition 9.1 does not apply if Condition 2.1 has expired.

10. OPERATION AND MAINTENANCE

10.1 The Company shall prepare and implement, not later than three (3) months from the date of this Approval, operating procedures and maintenance programs for all Processes with Significant Environmental Aspects, which shall specify as a minimum:

(a) frequency of inspections and scheduled preventative maintenance;
(b) the calibration procedures of the CEM System;
(c) the ash removal, handling and disposal procedures;
(d) procedures to prevent upset conditions;
(e) procedures to minimize all fugitive emissions;
(f) procedures to prevent and/or minimize odorous emissions;
(g) procedures to prevent and/or minimize noise emissions; and
(h) procedures for record keeping activities relating to the operation and maintenance programs.

10.2 Condition 10.1 does not apply with respect to Processes with Significant Environmental Aspects which have requirements under a Technical Standard for which the Company is registered that are equivalent to the operating procedures and maintenance programs set out in Condition 10.1.

10.3 Condition 10.2 does not apply with respect to procedures to prevent and/or minimize noise emissions.

10.4 The Company shall ensure that all Processes with Significant Environmental Aspects are operated and maintained in accordance with this Approval, the operating procedures and maintenance programs.

11. BI-ANNUAL TUNE-UP

11.1 The Company shall conduct, within two (2) years of the date of this Approval and repeat every two (2) years thereafter, a tune-up of the Combustors to assist in achieving effective combustion. The tune-up shall include but not be limited to:

(a) Physical inspection of the following:

   (i) fuel handling equipment;
   (ii) fuel distribution equipment;
   (iii) combustion air system;
   (iv) air measurement devices; and
   (v) grates or burners.

(b) Review of equipment performance:
(i) review carbon monoxide and oxygen data;
(ii) review airflow data;
(iii) review air to fuel ratio data and verify operating within design criteria; and
(iv) review calibration data and performance of the continuous monitoring system.

(c) Conduct combustion test:

(i) visual observation of combustion;
(ii) monitor and adjust excess air ratio; and
(iii) monitor oxygen and carbon monoxide data.

(11.2 A report shall be prepared for each tune-up, retained for a minimum of five (5) years after its creation, and made available for review by the Ministry upon request.

12. FUEL MANAGEMENT PLAN

12.1 The Company shall, not later than three (3) months from the date of this Approval, prepare a Fuel Management Plan for the Combustors. The Fuel Management Plan shall include, but not be limited to:

(a) A list of the types of Wood Fuel that may be stored at the Facility;

(b) For each type of Wood Fuel listed in item (a), an identification of the parameters that will demonstrate the storage quality of the fuel, including size and moisture content;

(c) For each parameter identified under item (b), a determination of a range of values within which the Wood Fuel will be considered of acceptable quality for storage at the Facility;

(d) A procedure to ensure that the Wood Fuel is tested to ensure that the value for each parameter identified under item (b) is within the range determined under item (c) for the parameter;

(e) A procedure to ensure the Wood Fuel is inspected on a regular basis and that the inspection includes an inspection of the pile and of the feed system;

(f) A procedure to ensure that fuel not considered acceptable for storage at the Facility is rejected and not stored at the Facility;

(g) An indication of the maximum time that Wood Fuel may be stored at the Facility;

(h) A pile turn-over procedure to ensure that Wood Fuel that has been stored at the Facility longest is used first; and

(i) A procedure to ensure that records are prepared and retained at the Facility that set out,

   (i) the quantity of Wood Fuel purchased by the Facility and the source from which it was purchased,

   (ii) the quantity of Wood Fuel generated at the Facility, and

   (iii) the quantity of Wood Fuel rejected for storage at the Facility, in accordance with item (f), and the reasons for the rejection.

12.2 The Company shall immediately implement and maintain the Fuel Management Plan and update as necessary.

13. COMPLAINTS RECORDING AND REPORTING

13.1 If at any time, the Company receives an environmental complaint from the public regarding the
operation of the *Equipment* approved by this *Approval*, the *Company* shall take the following steps:

(a) Record and number each complaint, either electronically or in a log book. The record shall include the following information: the time and date of the complaint and incident to which the complaint relates, the nature of the complaint, wind direction at the time and date of the incident to which the complaint relates and, if known, the address of the complainant.

(b) Notify the *District Manager* of the complaint within two (2) business days after the complaint is received, or in a manner acceptable to the *District Manager*.

(c) Initiate appropriate steps to determine all possible causes of the complaint, and take the necessary actions to appropriately deal with the cause of the subject matter of the complaint.

(d) Complete and retain on-site a report written within one (1) week of the complaint date. The report shall list the actions taken to appropriately deal with the cause of the complaint and set out steps to be taken to avoid the recurrence of similar incidents.

13.2 Condition 13.1 does not apply with respect to *Equipment* which has requirements under a *Technical Standard* for which the *Company* is registered that are equivalent to the complaints recording and response procedures set out in Condition 13.1.

13.3 Condition 13.2 does not apply with respect to complaints recording and response procedures pertaining to noise emissions.

14. **NOTIFICATION REQUIREMENTS**

14.1 The *Company* shall notify the *District Manager*, in writing either via email or letter, of each exceedance of the carbon monoxide limit specified in Condition 5.1, within two (2) business days of the exceedance. The notification shall include:

(a) The type of wood being processed;

(b) The moisture content of the material;

(c) Pollution control device parameters;

(d) Continuous emission monitor data for all monitored parameters; and

(e) Results of investigation on the cause(s) of the exceedance and remedial action(s) taken if deemed required.

14.2 The record of the notification shall be retained for a period of not less than three (3) years.

14.3 The *Company* shall make available upon request by the *District Manager*, operating data of the *Combustors*.

15. **SUMMARY REPORTS**

15.1 The *Company* shall prepare, once every two (2) years, a Summary Report to summarize the performance and monitoring requirements of the *Combustors* as included in this *Approval*. Each Summary Report shall include:

(a) For each parameter listed in this *Approval*, for which testing or continuous monitoring is required, the following statistical information:

   (i) The maximum measurement taken over the two-year period;

   (ii) The minimum measurement taken over the two-year period;

   (iii) The average measurement taken over the two-year period;
(b) A record of all notices required to be given under Condition 14 during the two-year period;
(c) The dates during the two-year period when Start-up or Shut-down of the Combustors occurred;
(d) A record of approved fuel management procedures required in Condition 12 and details of instances where these were not followed, if any;
(e) For each pollution control device associated with the Combustors, the dates during the two-year period when the device did not operate; and
(f) A record of the results from the bi-annual tune-up required under Condition 11 of this Approval.

16. RECORD KEEPING REQUIREMENTS

16.1 Any information requested by any employee in or agent of the Ministry concerning the Facility and its operation under this Approval, including, but not limited to, any records required to be kept by this Approval, shall be provided to the employee in or agent of the Ministry, upon request, in a timely manner.

16.2 Unless otherwise specified in this Approval, the Company shall retain, for a minimum of five (5) years from the date of their creation all reports, records and information described in this Approval, including,

(a) a copy of the Original ESDM Report and each updated version;
(b) a copy of each version of the Acoustic Assessment Report;
(c) supporting information used in the emission rate calculations performed in the ESDM Reports and Acoustic Assessment Reports;
(d) the records in the Log;
(e) copies of each Written Summary Form provided to the Ministry under Condition 9.1 of this Approval;
(f) records of maintenance, repair and inspection of Equipment related to all Processes with Significant Environmental Aspects;
(g) all records produced by the Source Testing;
(h) all records produced by the CEM System;
(i) all records related to environmental complaints made by the public as required by Condition 13 of this Approval; and
(j) a copy of the Fuel Management Plan.

17. REVOCATION OF PREVIOUS APPROVALS

This Approval replaces and revokes all Certificates of Approval (Air) issued under section 9 EPA and Environmental Compliance Approvals issued under Part II.1 EPA to the Facility in regards to the activities mentioned in subsection 9(1) of the EPA and dated prior to the date of this Approval.

SCHEDULE A
Supporting Documentation

(a) Environmental Compliance Approval Application, dated April 29, 2016, signed by Terry Ouellet, General Manager and submitted by the Company;
(b) Emission Summary and Dispersion Modelling Report, prepared by Mano Narayanan / Amec Foster Wheeler and dated May 2, 2016; and

(c) Acoustic Assessment Report, prepared by Mohammed Salim of Amec Foster Wheeler and dated March 2016.

**SCHEDULE B**

*Technical Standards for which the Company is Registered*

(a) Technical Standards Registry - Air Pollution, Forest Products - Industry Standard, Registration Number: 501-11-393-rv0.

**SCHEDULE C**

*Source Testing Procedures*

(a) The Company shall submit, not later than three (3) months prior to the Source Testing, to the Manager a Pre-Test Plan for the Source Testing required under this Approval.

(b) The Company shall finalize the Pre-Test Plan in consultation with the Manager.

(c) The Company shall not commence the Source Testing until the Manager has accepted the Pre-Test Plan.

(d) The Company shall complete the first Source Testing within one (1) year of the date of the Approval and the Company shall complete subsequent Source Testing every four (4) calendar years thereafter.

(e) The Company shall notify the Manager, the District Manager and the Director in writing of the location, date and time of any impending Source Testing required by this Approval, at least fifteen (15) days prior to the Source Testing.

(f) The Company shall submit a report on the Source Testing to the the Manager, the District Manager and the Director not later than three (3) months after completing the Source Testing. The report shall be in the format described in the Source Testing Code, and shall also include, but not be limited to:

(i) an executive summary;

(ii) an identification of the applicable North American Industry Classification System code (NAICS) for the Facility;

(iii) all records of the operating conditions, including the feed rate, the moisture content and the source of the Wood Fuel, and the operating capacities of the Combustors and the four wood dryers;

(iv) all records produced by the CEM System;

(v) results of Source Testing, including the emission rate, emission concentration, and relevant emission factor of Total Suspended Particulate and Benzo(a)pyrene from the Combustors; and

(vi) a tabular comparison of Source Testing results for the Combustors and Total Suspended Particulate and Benzo(a)pyrene to original emission estimates described in the Company’s application and the ESDM Report.

(g) The Director may not accept the results of the Source Testing if:

(i) the Source Testing Code or the requirements of the Manager were not followed; or
(ii) the Company did not notify the Manager, the District Manager and Director of the Source Testing; or

(iii) the Company failed to provide a complete report on the Source Testing.

(h) If the Director does not accept the results of the Source Testing, the Director may require re-testing. If re-testing is required, the Pre-Test Plan strategies need to be revised and submitted to the Manager for approval. The actions taken to minimize the possibility of the Source Testing results not being accepted by the Director must be noted in the revision.

(i) If the Source Testing results are higher than the emission estimates in the Company’s ESDM Report, the Company shall update their ESDM Report in accordance with Section 26 of O. Reg. 419/05 with the results from the Source Testing report and make these records available for review by staff of the Ministry upon request. The updated Emission Summary Table from the updated ESDM Report shall be submitted with the report on the Source Testing.

SCHEDULE D

CEM System Requirements

PARAMETER: TEMPERATURE

LOCATION:

The continuous temperature monitor shall be located in the combustion chamber of each Combustor where the measurements are representative of the actual operating temperatures.

PERFORMANCE:

The continuous temperature monitor shall meet the following minimum performance specifications for the following parameters:

<table>
<thead>
<tr>
<th>PARAMETERS</th>
<th>SPECIFICATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Type:</td>
<td>shielded &quot;K&quot; type thermocouple, or equivalent</td>
</tr>
<tr>
<td>2. Accuracy:</td>
<td>± 5 degrees Celsius</td>
</tr>
</tbody>
</table>

DATA RECORDER:

The data recorder must be capable of registering continuously the measurement of the monitor without a significant loss of accuracy and with a time resolution of 1 minute or better.

RELIABILITY:

The monitor shall be operated and maintained so that accurate data is obtained during a minimum of 95 percent of the time for each calendar quarter.

PARAMETER: OXYGEN

INSTALLATION:

The continuous oxygen monitor shall be installed at the exit of the Combustors or outlet of each hot oil heater where the measurements are representative of the actual concentrations of oxygen in the undiluted gases leaving the Combustors and shall meet the following installation specifications:

<table>
<thead>
<tr>
<th>PARAMETERS</th>
<th>SPECIFICATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Range (percentage):</td>
<td>0 - 20 or 0 - 25</td>
</tr>
<tr>
<td>2. Calibration Gas Ports:</td>
<td>close to the sample point</td>
</tr>
</tbody>
</table>
PERFORMANCE:
The continuous oxygen monitor shall meet the following minimum performance specifications for the following parameters:

<table>
<thead>
<tr>
<th>PARAMETERS</th>
<th>SPECIFICATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Span Value (percentage):</td>
<td>80 to 100 percent of full scale</td>
</tr>
<tr>
<td>2 Relative Accuracy:</td>
<td>the greater of ≤ 10 percent of the mean value of the reference method test data or 0.5 percent O2 average absolute difference</td>
</tr>
<tr>
<td>3 Calibration Drift/Error (24-Hour):</td>
<td>0.25 percent O2</td>
</tr>
<tr>
<td>4 System Bias:</td>
<td>≤ 4 percent of the mean value of the reference method test data</td>
</tr>
<tr>
<td>5 Procedure for Zero and Span Calibration check:</td>
<td>all system components checked</td>
</tr>
<tr>
<td>6 Zero Calibration Drift (24-hour):</td>
<td>≤ 0.5 percent O2</td>
</tr>
<tr>
<td>7 Span Calibration Drift (24-hour):</td>
<td>≤ 0.5 percent O2</td>
</tr>
<tr>
<td>8 Response Time:</td>
<td>≤ 90 seconds</td>
</tr>
<tr>
<td>9 Operational Test Period:</td>
<td>≥ 168 hours without corrective maintenance</td>
</tr>
</tbody>
</table>

CALIBRATION:
Daily calibration drift checks on the monitor shall be performed and recorded in accordance with the requirements of Report EPS 1/PG/7.

DATA RECORDER:
The data recorder must be capable of registering continuously the measurement of the monitor with an accuracy of 0.5 percent of a full scale reading or better and with a time resolution of 2 minutes or better.

RELIABILITY:
The monitor shall be operated and maintained so that accurate data is obtained during a minimum of 90 percent of the time for each calendar quarter during the first full year of operation, and 95 percent, thereafter.

PARAMETER: CARBON MONOXIDE

INSTALLATION:
The continuous carbon monoxide monitor shall be installed at the exit of the Combustors or outlet of each hot oil heater where the measurements are representative of the actual concentrations of carbon monoxide in the undiluted gases leaving the Combustors and shall meet the following installation specifications:

<table>
<thead>
<tr>
<th>PARAMETERS</th>
<th>SPECIFICATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Range (ppmv):</td>
<td>0 to highest concentration anticipated from the source</td>
</tr>
<tr>
<td>2 Calibration Gas Ports:</td>
<td>close to the sample extraction point</td>
</tr>
</tbody>
</table>

PERFORMANCE:
The continuous carbon monoxide monitor shall meet the following minimum performance specifications for the following parameters:

<table>
<thead>
<tr>
<th>PARAMETERS</th>
<th>SPECIFICATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Span Value (nearest ppm equivalent):</td>
<td>80 to 100 percent of full scale</td>
</tr>
<tr>
<td>No.</td>
<td>Parameter</td>
</tr>
<tr>
<td>-----</td>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td>2</td>
<td>Relative Accuracy:</td>
</tr>
<tr>
<td>3</td>
<td>Calibration Drift/Error (24-Hour):</td>
</tr>
<tr>
<td>4</td>
<td>System Bias:</td>
</tr>
<tr>
<td>5</td>
<td>Procedure for Zero and Span Calibration Check:</td>
</tr>
<tr>
<td>6</td>
<td>Zero Calibration Drift (24-hour):</td>
</tr>
<tr>
<td>7</td>
<td>Span Calibration Drift (24-hour):</td>
</tr>
<tr>
<td>8</td>
<td>Response Time:</td>
</tr>
<tr>
<td>9</td>
<td>Operational Test Period:</td>
</tr>
</tbody>
</table>

**CALIBRATION:**
Daily calibration drift checks on the monitor shall be performed and recorded in accordance with the requirements of *Report EPS 1/PG/7*.

**DATA RECORDER:**
The data recorder must be capable of registering continuously the measurement of the monitor with an accuracy of 0.5 percent of a full scale reading or better and with a time resolution of 2 minutes or better.

**RELIABILITY:**
The monitor shall be operated and maintained so that accurate data is obtained during a minimum of 90 percent of the time for each calendar quarter during the first full year of operation, and 95 percent, thereafter.

*The reasons for the imposition of these terms and conditions are as follows:*

**GENERAL**
1. Condition No. 1 is included to require the *Approval* holder to build, operate and maintain the *Facility* in accordance with the Supporting Documentation in Schedule A considered by the *Director* in issuing this *Approval*.

**LIMITED OPERATIONAL FLEXIBILITY, REQUIREMENT TO REQUEST AN ACCEPTABLE POINT OF IMPINGEMENT CONCENTRATION AND PERFORMANCE LIMITS**

2. Conditions No. 2, 3 and 4 are included to limit and define the *Modifications* permitted by this *Approval*, and to set out the circumstances in which the *Company* shall request approval of an *Acceptable Point of Impingement Concentration* prior to making *Modifications*. The holder of the *Approval* is approved for operational flexibility for the *Facility* that is consistent with the description of the operations included with the application up to the *Facility Production Limit*. In return for the operational flexibility, the *Approval* places performance based limits that cannot be exceeded under the terms of this *Approval*. *Approval* holders will still have to obtain other relevant approvals required to operate the *Facility*, including requirements under other environmental legislation such as the *Environmental Assessment Act*.

**EQUIPMENT WITH SPECIFIC OPERATING CONDITIONS**

3. Condition No. 5 is included to provide minimum performance requirements considered necessary to prevent an adverse effect resulting from the operation of the *Combustors*. 
4. Conditions No. 6 and 7 are included to require the *Company* to gather accurate information so that compliance with the operating requirements of this *Approval* can be verified.

**DOCUMENTATION REQUIREMENTS**

5. Condition No. 8 is included to require the *Company* to maintain ongoing documentation that demonstrates compliance with the performance limits as specified in Condition 4 of this *Approval* and allows the *Ministry* to monitor on-going compliance with these performance limits. The *Company* is required to have an up to date *ESDM Report* and *Acoustic Assessment Report* that describe the *Facility* at all times and make the *Emission Summary Table* and *Acoustic Assessment Summary Table* from these reports, along with a list of contaminants registered by the *Company* on the *Technical Standards Registry* available to the public on an ongoing basis in order to maintain public communication with regard to the emissions from the *Facility*.

**REPORTING REQUIREMENTS**

6. Condition No. 9 is included to require the *Company* to provide a yearly *Written Summary Form* to the *Ministry*, to assist the *Ministry* with the review of the site’s compliance with the *EPA*, the regulations and this *Approval*.

**OPERATION AND MAINTENANCE, BI-ANNUAL TUNE-UP AND FUEL MANAGEMENT PLAN**

7. Condition No. 10, 11 and 12 are included to require the *Company* to properly operate and maintain the *Processes with Significant Environmental Aspects* and the *Combustors* to minimize the impact to the environment from these processes.

**COMPLAINTS RECORDING AND REPORTING PROCEDURE**

8. Condition No. 13 is included to require the *Company* to respond to any environmental complaints regarding the operation of the *Equipment*, according to a procedure that includes methods for preventing recurrence of similar incidents and a requirement to prepare and retain a written report.

**NOTIFICATION REQUIREMENTS**

9. Condition No. 14 is included to require the *Company* to notify staff of the *Ministry* so as to assist the *Ministry* with the review of the site's compliance.

**SUMMARY REPORTS**

10. Condition No. 15 is included to require the *Company* to provide information to the *Ministry*, to assist the *Ministry* with the review of the site’s compliance with the *EPA*, the regulations and this *Approval*.

**RECORD KEEPING REQUIREMENTS**

11. Condition No. 16 is included to require the *Company* to retain all documentation related to this *Approval* and provide access to employees in or agents of the *Ministry*, upon request, so that the *Ministry* can determine if a more detailed review of compliance with the performance limits as specified in Condition 4 of this *Approval* is necessary.

**REVOCATION OF PREVIOUS APPROVALS**

12. Condition No. 17 is included to identify that this *Approval* replaces all Section 9 Certificate(s) of Approval and Part II.1 Approvals in regards to the activities mentioned in subsection 9(1) of the *EPA* and dated prior to the date of this *Approval*. 
Upon issuance of the environmental compliance approval, I hereby revoke Approval No(s). 2417-5Y4HJ5 issued on April 19, 2004.

In accordance with Section 139 of the Environmental Protection Act, you may by written Notice served upon me, the Environmental Review Tribunal and in accordance with Section 47 of the Environmental Bill of Rights, 1993, S.O. 1993, c. 28 (Environmental Bill of Rights), the Environmental Commissioner, within 15 days after receipt of this Notice, require a hearing by the Tribunal. The Environmental Commissioner will place notice of your appeal on the Environmental Registry. Section 142 of the Environmental Protection Act provides that the Notice requiring the hearing shall state:

1. The portions of the environmental compliance approval or each term or condition in the environmental compliance approval in respect of which the hearing is required, and;
2. The grounds on which you intend to rely at the hearing in relation to each portion appealed.

Pursuant to subsection 139(3) of the Environmental Protection Act, a hearing may not be required with respect to any terms and conditions in this environmental compliance approval, if the terms and conditions are substantially the same as those contained in an approval that is amended or revoked by this environmental compliance approval.

The Notice should also include:

3. The name of the appellant;
4. The address of the appellant;
5. The environmental compliance approval number;
6. The date of the environmental compliance approval;
7. The name of the Director, and;
8. The municipality or municipalities within which the project is to be engaged in.

And the Notice should be signed and dated by the appellant.

This Notice must be served upon:

The Secretary*  
Environmental Review Tribunal  
655 Bay Street, Suite 1500  
Toronto, Ontario  
M5G 1E5

The Environmental Commissioner  
1075 Bay Street, Suite 605  
Toronto, Ontario  
M5S 2B1

The Director appointed for the purposes of Part II.1 of the Environmental Protection Act  
Ministry of the Environment and Climate Change  
135 St. Clair Avenue West, 1st Floor  
Toronto, Ontario  
M4V 1P5

* Further information on the Environmental Review Tribunal’s requirements for an appeal can be obtained directly from the Tribunal at: Tel: (416) 212-6349, Fax: (416) 326-5370 or www.ert.gov.on.ca

This instrument is subject to Section 38 of the Environmental Bill of Rights, 1993, that allows residents of Ontario to seek leave to appeal the decision on this instrument. Residents of Ontario may seek leave to appeal within 15 days from the date this decision is placed on the Environmental Registry. By accessing the Environmental Registry at www.ebr.gov.on.ca, you can determine when the leave to appeal period ends.

The above noted activity is approved under s.20.3 of Part II.1 of the Environmental Protection Act.
DATED AT TORONTO this 18th day of April, 2017
Rudolf Wan, P.Eng.
Director
appointed for the purposes of Part II.1 of
the Environmental Protection Act

KS/
c: Area Manager, MOECC Kenora Area Office
c: District Manager, MOECC Thunder Bay District Office
Mano Narayanan, Amec Foster Wheeler